GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:5575
ANSWERED ON:24.04.2001
OPPOSITION OF TRADE UNIONS ON PRIVATE PARTICIPATION IN COAL SECTOR
SUBODH MOHITE

Will the Minister of COAL be pleased to state:

(a) whether the Central Trade Unions operating in the coal sector registered their opposition to the Government due to private participation in the coal mining sector;

(b) if so, the reasons therefore;

(c) the reaction of the Government thereto; and

(d) the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE FOR COAL (SYED SHAHNAWAZ HUSSAIN)

(a) : Yes, Sir. Some Trade Union Organisations have been opposing the opening up of various areas of national economy to the private sector including coal.

(b) : The reasons for their opposition to private participation in coal mining inter alia include apprehensions that :

i) the demand projection of coal is unrealistic;
ii) financial restructuring of coal companies can provide considerable benefits;
iii) workers will be exploited;
iv) unscientific mining methods will be adopted;
v) there will be no job security;
vi) there will be no sense of social obligation;

(c) & (d): This issue has been discussed with trade unions at various levels including Group of Ministers. The government has assured the representatives of Central Trade Unions that all aspects of the matter about demand and supply of coal and restructuring of Coal Industry will be discussed with the Trade Unions represented in Joint Bi- partite Committee on Coal Industry (JBCCI) before the amendment Bill on the Coal Mines Nationalisation Act,1973 is taken up for consideration in Rajya Sabha. The Coal Mines (Nationalisation) Amendment Bill, 2000 which seeks to allow any Indian company to do coal mining without the restriction of captive consumption, is not a Privatisation bill and is meant to associate the private sector in coal mining to augment the country's coal production to meet the gap between demand and supply. Therefore, the nationalized coal sector will continue with its dominant presence in the Coal industry of the country.